LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 6792 NOTE PREPARED: Jan 3, 2011

BILL NUMBER: HB 1258 BILL AMENDED:

SUBJECT: Provision of RU-486.

FIRST AUTHOR: Rep. Morris BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State

 $\overline{\underline{X}}$ DEDICATED FEDERAL

<u>Summary of Legislation:</u> This bill provides that only physicians (MDs or DOs) that meet all criteria established by federal law may prescribe RU-486 (mifepristone) to an individual for the purpose of inducing an abortion.

The bill requires physicians who become aware of specified adverse events after the provision of RU-486 to make a written report to the Medical Licensing Board of Indiana. The bill requires the Medical Licensing Board to compile the written reports, omit personal identifying information, and retain the reports as public records.

The bill establishes a Class D felony (or a Class C felony for subsequent violations) if a person knowingly provides RU-486 in violation of the specified requirements.

Effective Date: July 1, 2011.

Explanation of State Expenditures: <u>Adverse Event Reporting</u>: The bill would require physicians to report specified adverse events to the Medical Licensing Board. Adverse events are currently required to be reported to the manufacturer of the drug, so this requirement should have no impact on the physicians that administer mifepristone. The bill further requires the Medical Licensing Board to compile the reports after redacting identifying information and to retain the reports as public records. The cost of collecting and compiling the reports would depend on the number of reports that might be received. The bill does not specify a reporting requirement for the Medical Licensing Board.

The bill provides that in addition to the criminal penalties, an individual who is not a licensed physician who

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knowingly prescribes mifepristone to induce an abortion is subject to sanctioning under the individual's professional license or certification. The necessity for these actions would be expected to be rare since the drug is supplied only to licensed physicians who sign and return a prescriber's agreement. Although mifepristone is a prescription drug, it is not available through licensed pharmacies. An increase in the number of hearings conducted by licensing boards under the Indiana Professional Licensing Agency for this cause is unlikely.

<u>Felony Provisions</u>: The bill establishes a new Class D felony for persons who are not licensed physicians who satisfy the FDA criteria knowingly prescribing mifepristone. The bill provides that the offense is a Class C felony if the person has a prior conviction for the offense. This offense would be expected to be rare since the drug is supplied only to licensed physicians who sign and return a prescriber's agreement. Although mifepristone is a prescription drug, it is not available through licensed pharmacies. The FDA website includes a warning concerning purchase of this drug over the Internet.

A Class D felony is punishable by a prison term ranging from six months to three years or reduction to Class A misdemeanor depending upon mitigating and aggravating circumstances. A Class C felony is punishable by a prison term ranging from two to eight years depending upon mitigating and aggravating circumstances. Assuming offenders can be housed in existing facilities with no additional staff, the marginal cost for medical care, food, and clothing is approximately \$4,818 annually, or \$13.20 daily, per prisoner. However, any additional expenditures are likely to be small. The average length of stay in Department of Correction (DOC) facilities for all Class D felony offenders is approximately ten months, and for all Class C felony offenders it is approximately two years.

Explanation of State Revenues: *Penalty Provision:* If additional court cases occur and fines are collected, revenue to both the Common School Fund (from criminal fines) and the state General Fund (from court fees) would increase. The maximum fine for a Class C or Class D felony is \$10,000. However, any additional revenues would likely be small.

<u>Explanation of Local Expenditures:</u> *Penalty Provision:* If more defendants are detained in county jails prior to their court hearings, local expenditures for jail operations may increase. However, any additional expenditures would likely be small.

<u>Explanation of Local Revenues:</u> *Penalty Provision:* If additional court actions occur and a guilty verdict is entered, local governments would receive revenue from court fees. However, the amounts would likely be small.

<u>State Agencies Affected:</u> Indiana Professional Licensing Agency, Medical Licensing Board; Department of Correction.

Local Agencies Affected: Trial courts, local law enforcement agencies.

Information Sources: http://www.accessdata.fda.gov/drugsatfda_docs/label/2005/020687s013lbl.pdf

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